sum. It shall not be considered part of an employee's rate of basic pay for any purpose.

[60 FR 33326, June 28, 1995]

#### § 575.106 Service agreement.

- (a) Before a recruitment bonus may be paid, an agency shall require that the employee sign a written service agreement to complete a specified period of employment with the appointing agency (or successor agency in the event of a transfer of function).
- (b) The minimum period of employment to be established under a service agreement for a recruitment bonus shall be 6 months.

[60 FR 33326, June 28, 1995]

# § 575.107 Repayment of recruitment bonus.

- (a) Except as provided in paragraph (d) of this section, an employee who fails to complete the period of employment established under a service agreement shall be indebted to the Federal Government and shall repay the recruitment bonus on a pro rata basis. The amount to be repaid shall be determined by providing credit for each full month of employment completed by the employee under the service agreement.
- (b) Failure to complete the period of employment established under a service agreement occurs when the employee's service with the appointing agency terminates before the employee completes the period of employment specified in the service agreement.
- (c) Amounts owed by an employee under paragraph (a) of this section shall be recovered from the employee under the agency's regulations for collection by offset from an indebted Government employee under 5 U.S.C. 5514 and subpart K of part 550 of this chapter.
- (d) Paragraph (a) of this section does not apply when an employee fails to complete a period of employment established under a service agreement because the employee is involuntarily separated.
- (e) A right of recovery of an employee's debt under 5 U.S.C. 5514 may be waived in whole or in part by the head of the agency if he or she determines

that recovery would be against equity and good conscience or against the public interest.

#### § 575.108 Internal monitoring.

Each agency shall monitor the use of recruitment bonuses to ensure that its recruitment bonus plan conforms to the requirements established under this subpart and that the payment of recruitment bonuses conforms to the criteria established under this subpart.

[60 FR 33326, June 28, 1995]

### §575.109 Records and reports.

- (a) Each agency shall keep a record of each determination required by §575.104(c) of this part and make such records available for review upon request by OPM. Each agency shall promptly submit a report of each such determination as a part of its regular submission to OPM's Central Personnel Data File.
- (b) So that OPM can evaluate agencies' use of this authority and provide the Congress and others with information regarding the use of recruitment bonuses, each agency shall maintain such other records and submit to OPM such other reports and data as OPM shall require.

## Subpart B—Relocation Bonuses

#### § 575.201 Purpose.

This subpart provides regulations to implement 5 U.S.C. 5753, which authorizes payment of a relocation bonus of up to 25 percent of the annual rate of basic pay to an employee who must relocate to accept a position in a different commuting area, provided there is a determination that, in the absence of such a bonus, difficulty would be encountered in filling the position.

[60 FR 33326, June 28, 1995]

#### § 575.202 Delegation of authority.

- (a) Except as provided in paragraph (b) of this section, the head of an agency (or, with respect to positions not under the General Schedule, the head of an Executive agency) may pay a relocation bonus to an employee appointed to—
- (1) A General Schedule position paid under 5 U.S.C. 5332;